

I want my response to be treated as confidential ☐

Comments:

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Please tick the box from the list that best describes you, your company or your organisation.

<input type="checkbox"/>	A consumer
<input checked="" type="checkbox"/>	A consumer group representative
<input type="checkbox"/>	A business responding as a customer (please indicate number of employees)
<input type="checkbox"/>	A business responding as a service provider

<input type="checkbox"/>	An intermediary such as Price Comparison provider (please give nature of your service)
<input type="checkbox"/>	A regulator
<input type="checkbox"/>	Other (please describe)

If responding on behalf an organisation, please state the name of your organisation

This submission is made on behalf of RAC Motoring Services (The RAC) which is the UK's oldest motoring organisation. The RAC has some eight million members and is separate from the RAC Foundation which is a transport policy and research organisation which explores the economic, mobility, safety and environmental issues relating to roads and their users.

Q1. Are there problems with the current provision and routes to advice and information for consumers in these sectors?

X No

Q2. If yes, what are these problems and how can provision be improved?

The RAC is only able to comment on those areas directly affecting road users. Historically, motoring organisations (e.g. RAC, AA) and trade associations (e.g. FTA, RHA, BVRLA etc.) have provided advice for road users. Arguably, this is least effective in matters relating to local roads because of the number and diversity of local highways authorities. The combination of these organisations, working closely with Transport Focus, is more effective on matters relating to the Strategic Road network than is the case on matters relating to local roads. (see response to Q4)

Q3. Are there problems with the way that consumers are represented in these sectors?

X Yes

Q4. If yes, what are these problems and how can it be improved?

Following the establishment of Highways England as a company wholly owned by Government, the role of Transport Focus (formerly Passenger Focus) was extended to act as a consumer watchdog on behalf of users of the Strategic Road Network. This role complements that of ORR in its role as regulator for Highways England. The RAC has been extremely impressed by the approach adopted by Transport Focus. The research that they have conducted on user concerns and priorities has been timely and relevant. The RAC therefore would be strongly opposed to any actions by Government to change these arrangement or alter Transport Focus' role in relation to the strategic road network.

RAC regularly surveys members to understand their concerns and priorities and each year publishes the RAC Report on Motoring based on a comprehensive survey of a representative cross-section of UK motorists. Copies of recent reports can be downloaded from the RAC website. Whilst concerns associated with the strategic road network were well down the list of concerns (ranked being the top concern for only 3% of motorists and a top 4 concern for 13%, the state of local roads was ranked as the No 1 concern (the top concern for 9% of motorists and a top 4 concern for 34% of motorists. However, there is no watchdog of the type that now exists for local roads and therefore users have no effective means of raising concerns (aside from reporting potholes) on matters relating to local roads. **The RAC therefore would like to see the role of Transport Focus extended to local roads to provide the same user voice as it is now providing for strategic roads.**

We note that Transport Focus is providing a service that is valued by users of Strategic Roads, Buses and Rail but that their role does not extend to air transport. Whilst we are not qualified to comment on the arrangements currently applying in the air transport sector, we do question why user representation is undertaken by a different body to that for other Transport modes and would urge Government to consider whether there is a case for integrating air transport user representation into Transport Focus. Whilst we believe that consumers are best served by watchdogs whose role is confined to a sector (transport, communications, energy etc.) because such arrangements allow the organisation to develop a focussed understanding of a sector, we question the logic of having multiple bodies within a sector because of the likelihood of duplication and the associated sub-optimal value for money for the tax payer.

Q5. Are there problems with the current provision of ADR in these sectors?

ADR does not apply in the Roads sector so we are not able to comment

Q6. If yes, what are these problems and how can provision be improved?

ADR does not apply in the Roads sector.

The consultation document makes specific reference to the 2nd hand car sector. Historically this sector has been the source of a disproportionate number of consumer complaints and a number of voluntary schemes have been developed and implemented over the last 20 years with limited success. The 2nd hand car sector commands a high priority within Trading Standards, now part of Citizens Advice, and we are aware of initiatives in hand to monitor 2nd hand car retailers who are subject of multiple at-fault complaints.

The RAC has recently gained Trading Standards Institute approval for a Used Vehicle Code of Practice and we understand that Motor Codes are also developing a Used Car Code of Practice.

ADR is included within the RAC code but it is too early to comment on ADR's effectiveness in the context of the new codes. Our view is therefore that sufficient time needs to be allowed for the new codes to become effective and the situations needs to be reviewed after a period of 3 to 5 years.

A copy of the RAC is attached for information



RAC Used Vehicle
Codev1.pdf

Q7. Should the criteria for allowing the use of the word Ombudsman be strengthened and if so how?

☐ Yes

The RAC is not able to comment on this

Q8. Is there scope to make consumer complaints data in these sectors easier to access and more widely available?

X Yes

Q9. If yes, how can this be achieved and what protection should be included?

We should like to see all complaints received by Highways England and by local Highways Authorities published and freely accessible. However, we believe generally that those registering a complaint should not be specifically identified though complaints should be identified as coming from individuals, businesses, trade associations, user representative groups etc.

Q10. What new opportunities or risks for businesses, workers and consumers would be created if they were able to port their reputation and feedback data between platforms?

The RAC is not able to comment on this

Q11. What are the barriers to doing this?

There is a cost to doing this and it is likely that such costs would come from the roads budgets of the organisations concerned, thus reducing the funding available for investment and maintenance of the roads infrastructure.

Q12. What more can be done to get consumers their money back and give them information on a business' past performance when consumers have suffered detriment in these sectors?

Roads users are in the vast majority of cases paying indirectly through taxation for road use. In the case of Highways England, ORR can levy fines for poor service which, whilst not directly benefit users, would replace funding that would otherwise have been raised through taxation. This does not directly compensate users but does punish the provider (Highways England) for poor service.

Q13. If yes, how can this be achieved?

Q14. What would be the benefits and drawbacks to consumers of quicker (7day) switching?

The RAC is not able to comment

Q15. What steps would your organisation need to take in order to implement switching within 7 days, or less than 7 days?

The RAC is not able to comment

Q16. Can you estimate the cost to your organisation of implementing these steps to achieve 7 day switching and less than 7 day switching?

The RAC is not able to comment

Q17. Do you think that introducing quicker switching would help you to encourage more consumers to switch to your organisation?

The RAC is not able to comment

Q18. How quickly could these steps be implemented?

The RAC is not able to comment

Q19. What process barriers, or external barriers are currently in place which would prevent you from implementing switching within 7 days?

The RAC is not able to comment

Q20. If a switch breaches the 7 day requirement, do you agree that this should be handled via existing redress mechanism in that sector? If not, what would be the most appropriate form of redress?

The RAC is not able to comment

Q21. If you already offer 7 day switching or faster, what has been the impact on your organisation?

Not applicable

Q22. What would be the advantages and disadvantages of ending all administrative fees for switching?

The RAC is not able to comment

Q23. What would be the advantages and drawbacks of banning terms and conditions that prevent the consumer from allowing third parties to manage consumers' accounts and switch for them?

The RAC is not able to comment

Q24. Should Government explore whether all regulated sectors should provide tariff and T&C data in an open, standard format?

The RAC is not able to comment

Q25. How could this data be kept up to date and how helpful would this be to consumers?

The RAC is not able to comment

Q26. What are the benefits and drawbacks to consumers of rolling over contracts?

The RAC is not able to comment

Q27. Should any renewal paperwork sent to consumers always include reasons for any cost increases?

☐ Yes ☐ No ☐ Not sure

The RAC is not able to comment

Q28. Should any renewal paperwork sent to consumers always include the price that would be offered to a new customer in exactly the same circumstances?

☐ Yes ☐ No ☐ Not sure

It is not possible to generalise on this issue

Q29. Are any changes needed to ensure that all 'lock-in' contracts have a fair and clear exit price?

The RAC is not able to comment

Q30. What difficulties exist for consumers who want to cancel a contract?

The RAC is not able to comment

Q31. It can be difficult to unsubscribe to services we have signed up to by email. Should we always be able to unsubscribe with just one click?

It is not possible to generalise on this matter.

